Application No. 09/741,957 Amdt. Dated January 3, 2007 Response to Office Action of August 31, 2006

Amendments to the Specification:

At Page 1 starting at line 1/ please replace the paragraph with the following amended paragraph:
This application is related to co-pending and concurrently filed application No.
[[]] 09/741,956 (Pending), (Attorney Docket Number DEM1P003) filed December 20,
2000, entitled "Econometric Engine", by Hau Lee, Suzanne Valentine, Michael Neal, Krishna
Venkatraman, and Phil Delurgio, which is incorporated by reference herein for all purposes.
At Page 2 starting at line 3 please replace the paragraph with the following amended paragraph:
This application is related to co-pending and concurrently filed application No.
[[]] 09/741,958 (Pending), (Attorney Docket Number DEM1P001) filed December 20,
2000, entitled "Price Optimization System", by Michael Neal, Krishna Venkatraman, Suzanne
Valentine, Phil Delurgio, and Hau Lee, which is incorporated by reference herein for all
purposes.
At Page 2 starting at line 8 please replace the paragraph with the following amended paragraph:
This application is related to co-pending and concurrently filed application No.
[[]] 09/741,959 (Pending), (Attorney Docket Number DEM1P005) filed December 20,
2000, entitled "Econometric Optimization Engine", by Krishna Venkatraman, Phil Delurgio,
Suzanne Valentine, Michael Neal, and Hau Lee, which is incorporated by reference herein for all
purposes.

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At Page 17 starting at line 16 please replace the paragraph with the following amended paragraph:

The data is further processed by defining an "equivalizing factor" for the products of each demand group in accordance with size and UOM parameters (Step 1025). This equivalizing factor can be provided by the client or imputed imputed, i.e., inferred or arrived at from known or assumed data, or derived by reasoning. An example of determining an imputed equivalizing factor follows. Product size and UOM information are obtained, for example, from the product description information. Typical examples of such size and UOM information is, 20 oz. (ounce), 6 CT (count), or 1 ltr (liter). A further advantageous aspect of the present invention is that, even if such size or UOM information is incomplete or not provided, it can also be imputed. An equivalizing factor can be imputed by using, for example, the median size for each UOM. Alternatively, some commonly used arbitrary value can be assigned. Once this information is gathered, all product prices and volume can be "equivalized". In one example, a demand group (a group of highly substitutable products) is chosen having, for example, "soft drinks" as its subject category. And by further example, the soft drink product comes in 8, 12, 16, 24, 32, and 64 ounce sizes. The median size (or for that matter, any arbitrarily determined size) can then be used as the base size to which all other sizes are to be equivalized. For example, using the 8, 12, 16, 24, 32, and 64-ounce sizes discussed above, an arbitrary base size can be determined as, for example, 24 ounces. Then the 24-ounce size is determined as the equivalizing factor. Some of the uses of the equivalizing factors are detailed in the discussions below. Chiefly, the purpose of determining an equivalizing factor is to facilitate comparisons between different size products in a demand group. For example, if 16 is determined as the equivalizing factor for the above group of soft drinks, then an 8 oz. soft drink is equivalized to one half of a 16 oz. unit. In a related vein, a 32 oz. soft drink is equivalized to two (2) 16 oz. units.